



August 7, 2009

Board of Governors of the Federal Reserve  
20<sup>th</sup> & C Streets NW  
Washington, D.C. 20551

Re: Card Act of 2009

As the provider of financial services to over 30,000 members, Community Resource Credit Union, Baytown, Texas, would respectfully ask you delay implementation of the Card Act of 2009 which is effective 8/20/2009. After careful research, including conversations with our legal counsel and our own internal review, this legislation places undue hardship on CRCU and the entire credit union community. It creates unrealistic timelines for the credit union industry to become compliant resulting in significant cost which will have a negative impact on our current and future members.

Since we began our business in 1935, Community Resource Credit Union has not, and never will, engage in any of the predatory credit card practices which prompted the creation of this bill. The intent of the law should not include the open end lending plans the credit unions currently are using. The majority of these loans are installments which have the same payment due every month at the same time of the month. The credit industry is being unfairly asked to bear the burden of those this Act was intended to address and to change a system, consumer open-ended lending, which has worked well for our membership for over 25 years.

The following are just a few of the many areas where we feel our membership and the credit union will be negatively impacted:

- Significant operational expenses dealing with the impact on the collection department, teller area and call center as related to this Act.
- Causing members to switch from bi-weekly or weekly payments to monthly payments will create a negative financial impact on our members due to paying

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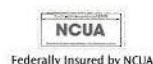
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additional interest on their loans as a result of changing their payment due date.

- Requirement to send monthly periodic statements versus our combined quarterly statement will cause additional paperwork and confusion within our membership.
- Moving due dates to comply with the 21 day requirement will create frustration and confusion within our membership.
- Forcing the credit union to possibly stop using the consumer friendly open ended lending concept will create a much more labor intensive closed end lending process.

Again, we would respectfully ask at a minimum, you delay implementation of the interim final rule of the CARD Act of 2009 to allow for the many complex issues created by this Act to be further researched and evaluated. The financial burden of implementing this legislation will ultimately be felt in the pocketbook of the seven million Texas credit union members by lower dividend rates and higher loan rates.

Respectfully,

**David Frazier**  
**President and Chief Executive Officer**  
**Community Resource Credit Union**  
**2900 Decker Dr.**  
**Baytown, Texas 77520**

**Ronald W. Anderson**  
**Senior Vice President**  
**Legislative Coordinator**  
**Community Resource Credit Union**

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